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BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, D.C. 20268-0001

MAIL PROCESSING NETWORK RATIONALIZATION SERVICE CHANGES, 2011

Docket No. N2012-1

RESPONSES OF UNITED STATES POSTAL SERVICE WITNESS DAVID WILLIAMS TO AMERICAN POSTAL WORKERS UNION INTERROGATORIES (APWU/USPS-T1-8 THROUGH 15)

The United States Postal Service hereby files the responses of witness

David Williams to the above-listed interrogatories of the American Postal Workers Union dated January 11, 2012. Each interrogatory is stated verbatim and followed by the response. Interrogatories APWU/USPS-T1-16 and 17 have been redirected to the Postal Service which will file institutional responses.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Anthony F. Alverno, Jr. Chief Counsel, Global Business

Michael T. Tidwell

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260-1137 (202) 268-2998; Fax -5402 January 23, 2012

APWU/USPS-T1-8 The APWU is concerned because the Postal Service has undertaken contemporaneously three significant initiatives that have the potential of affecting service on a nationwide basis. These are

- the change from six-day to five-day delivery that is the subject of N2010-1;
- the Retail Optimization Initiative that is the subject of N2011-1; and
- the Mail Processing Network Rationalization Plan that is the subject of this case.

We have a twofold concern: (1) that the potential or possible effect of these initiatives, in combination, may be more substantial and more negative for the Postal Service and for postal customers than can be understood or evaluated if each of the initiatives is considered separately and they are not considered together; and (2) that no Postal Service witness in any of these cases has discussed the possible combined effects of the three cases. With those concerns in mind, please answer the following questions:

- a) As Vice President of Network Operations, have you been given the official responsibility to consider or evaluate the possibility that the effects of the service changes caused by the Network Rationalization Plan on the Postal Service or its customers will in some way be exacerbated or increased either by the Retail Optimization Initiative or the change from six-day to five-day delivery, or by both?
- b) If your answer to 8.a. above is yes, please provide your analysis or evaluation of that possibility, and identify any report, memorandum or written summary of your findings, thoughts or conclusions, and state to whom you provided that information as a part of your official duties.
- c) If your answer to 8.a above is no, please identify any postal official or contractor who has been given that responsibility, identify any report, memorandum or other writing summarizing their findings, thoughts or conclusions, and state to whom that information was provided.

RESPONSE

- (a) No.
- (b) N/A
- (c) I am not aware of any such undertaking.

APWU/USPS-T1-9 As Vice President of Network Operations,

- a) Have you in your official capacity considered whether there is, or should be, any relationship between the fact that the Postal Service has proposed to reduce service to its customers in the three cases described in APWU/USPS-T1-8 above and, contemporaneously, has proposed both a general rate increase and an exigency increase?
- b) If your answer to 9.a. above is yes, please provide your analysis or evaluation of that relationship, and identify any report, memorandum or written summary of your findings, thoughts or conclusions, and state to whom you provided that information as a part of your official duties.
- c) If your answer to 9.a above is no, please identify any postal official or contractor who has been given that responsibility, identify any report, memorandum or other writing summarizing their findings, thoughts or conclusions, and state to whom that information was provided.

RESPONSE

- (a) No.
- (b) N/A
- (c) I am not aware of any such undertaking.

APWU/USPS-T1-10 In your position as V.P. of Network Operations, have you seen an evaluation of the combined impact on customer service of the proposed closings resulting from network rationalization combined with the impacts on customer service from instituting the proposed changes from Docket No. N2010-1, Six-Day to Five-Day Street Delivery and Related Changes? If so, please describe the analysis and summarize its results. If not, does that mean that the Postal Service has not made such an evaluation?

RESPONSE

No.

N/A

The fact that I have not seen such an evaluation, by itself, does not prove the absence of such an evaluation.

APWU/USPS-T1-11 Have you had the responsibility for evaluating any specific issues resulting from the proposal to institute the changes described in Docket No. N2010-1? If so, what aspects of that proposal have you evaluated?

RESPONSE

When consideration of the service changes presented in Docket No. N2010-1 began, I was the Manager of Processing Operations. At that time, and in that role, I provided resources to the team evaluating the concept and was involved with discussions focused on processing capability related to such issues as maintaining Post Office Box delivery on Saturday. I was promoted to Vice President, Engineering prior to the commencement of Docket No. N2010-1 and I was not involved with the case during that time. After becoming Vice President, Network Operations, I was responsible for providing subject matter experts from my department to participate in discussions and planning for potential implementation of the proposed service changes associated with Docket No. 2010-1. These subject matter experts were responsible for identifying the impact the proposal would have on Network Operations.

APWU/USPS-T1-12 In analyzing and evaluating the changes proposed in this docket, did you consider or incorporate any of the proposed changes from Docket No. N2010-1 in your analysis? If so, please describe those and why they were important to this analysis.

RESPONSE

No.

APWU/USPS-T1-13 In your position as V.P. of Network Operations, have you seen an evaluation of the combined impact on customer service of the proposed closings resulting from network rationalization combined with the impacts on customer service from instituting the proposed changes from Docket No. N2011-1, Retail Optimization Initiative, 2011. If so, please describe the analysis and summarize its results. If not, does that mean that the Postal Service has not made such an evaluation?

RESPONSE

No.

The fact that I have not seen such an evaluation, by itself, does not prove the absence of such an evaluation.

APWU/USPS-T1-14 In your position as V.P. of Network Operations, have you seen an analysis of the potential combined revenue losses resulting from instituting all the proposed changes in N2010-1, N2011-1, and N2012-1? If so, please describe the analysis and summarize its results. If not, does that mean that the Postal Service has not made such an evaluation?

RESPONSE

No.

The fact that I have not seen such an analysis, by itself, does not prove the absence of such analysis.

APWU/USPS-T1-15 Who at the Postal Service would have the responsibility for analyzing and evaluating the combined impacts on service, cost and revenues of implementing all the changes proposed in N2010-1, N2011-1 and 2012-1 together?

RESPONSE

If and when the Postal Service determines that it can and will implement all three of the initiatives, it will determine whether such an undertaking will commence and, if so, assign responsibility for it. On its face, the task would appear to require cross-functional expertise.